

**IN THE CLAIMS:**

1.-25. (Cancelled)

26. (Previously Presented) A picture decoding method for decoding a bitstream, said method comprising:

decoding a coded picture included in the bitstream to obtain a decoded picture, using a decoding unit;

5 filtering the decoded picture to obtain a filtered picture, using a filter;

extracting, using a demultiplexing unit, filtering application information from the bitstream, the filtering application information indicating, on a picture-by-picture basis, which one of the decoded picture and the filtered pictures is outputted for a display process; and

10 storing, in a memory, the filtered picture as a reference picture for decoding another picture, using a storing unit, and outputting the decoded picture, using an outputting unit, in the case where the filtered picture is the reference picture and the filtering application information indicates the decoded picture is outputted for the display process.

27. (Previously Presented) The picture decoding method according to Claim 26, further comprising:

5 storing, in the memory, the filtered picture as a reference picture for decoding another picture and outputting the filtered picture, in the case where the filtered picture is the reference picture and the filtering application information indicates the filtered picture is outputted for the display process.

28. (Previously Presented) The picture decoding method according to Claim 26,  
wherein the filtering application information is applied for a predetermined  
picture and each picture following the predetermined picture.

29. - 31. (Cancelled)

32. (Previously Presented) A picture decoding apparatus for decoding a bitstream,  
said apparatus comprising:

a decoding unit operable to decode a coded picture included in the bitstream to  
obtain a decoded picture;

5 a filter operable to filter the decoded picture to obtain a filtered picture;

a demultiplexing unit operable to extract filtering application information from  
the bitstream, the filtering application information indicating, on a picture-by-picture basis,  
which one of the decoded picture and the filtered picture is outputted for a display process;

a storing unit operable to store, in a memory, the filtered picture as a reference  
10 picture for decoding another picture; and

an outputting unit operable to output the decoded picture, in the case where the  
filtered picture is the reference picture and the filtering application information indicates the  
decoded picture is outputted for the display process.

33. (Previously Presented) The picture decoding apparatus according to claim 32,  
wherein said outputting unit further operable to output the filtered picture, in the  
case where the filtered picture is the reference picture and the filtering application information  
indicates the filtered picture is outputted for the display process.

34. (Previously Presented) The picture decoding apparatus according to claim 33  
wherein the filtering application information is applied for a predetermined  
picture and each picture following the predetermined picture.